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Letter dated 31 December 2012 from the Chair of the Security Council Committee established pursuant to resolution 1718 (2006) addressed to the President of the Security Council

I have the honour to transmit herewith the report of the Security Council Committee established pursuant to resolution 1718 (2006), which covers the Committee's activities during the period from 1 January to 31 December 2012. The report is submitted in accordance with the note by the President of the Council of 29 March 1995 (S/1995/234).

(*Signed*) José Filipe **Moraes Cabral**
Chair
Security Council Committee established
pursuant to resolution 1718 (2006)

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Report of the Security Council Committee established pursuant to resolution 1718 (2006)

I. Introduction

1. The present report of the Security Council Committee established pursuant to resolution 1718 (2006) covers the period from 1 January to 31 December 2012.

2. During the reporting period, the Bureau of the Committee consisted of Ambassador José Filipe Moraes Cabral as Chair, with the delegations of Azerbaijan and Togo providing Vice-Chairs. In 2012, the Committee held five sessions of informal consultations (8 February, 18 April, 11 June, 24 October and 10 December).

II. Background

3. The Security Council Committee established pursuant to Security Council resolution 1718 (2006) was mandated to oversee the implementation of the measures imposed by that resolution with respect to the Democratic People's Republic of Korea.

4. On 12 June 2009, the Security Council unanimously adopted resolution 1874 (2009), in which it imposed additional measures, including an expansion of the embargo on arms and related materiel and technology, as well as financial measures to include a ban on financial transactions, technical training, advice, services or assistance related to such arms and materiel. In its resolution 1874 (2009), the Council requested the Secretary-General to create for an initial period of one year a group of up to seven experts ("Panel of Experts") to assist the Committee in carrying out its tasks.

5. In paragraph 1 of its resolution 1928 (2010), the Security Council extended the mandate of the Panel of Experts until 12 June 2011; by paragraph 1 of resolution 1985 (2011), it further extended the mandate until 12 June 2012; and by paragraph 1 of resolution 2050 (2012), it further extended the mandate until 12 July 2013.

III. Summary of activities

A. Reports from Member States on the implementation of resolutions 1718 (2006) and 1874 (2009)

6. During the reporting period, seven Member States reported to the Committee pursuant to paragraph 22 of Security Council resolution 1874 (2009) on the steps they had taken to implement effectively the provisions of paragraph 8 of resolution 1718 (2006), as well as paragraphs 9 and 10 of resolution 1874 (2009), and on the financial measures set out in paragraphs 18, 19 and 20 of resolution 1874 (2009).

B. Communications from and to Member States related to alleged violations of the measures imposed in Security Council resolutions 1718 (2006) and 1874 (2009)

7. During the reporting period, the Committee received six reports of alleged violations concerning measures imposed by resolutions 1718 (2006) and 1874 (2009), as well as information on previously reported cases.

8. A Member State sent to the Committee four reports of alleged violations. In a letter dated 26 January 2012, the Member State submitted a report concerning "three cases of violations of the ban on the export of luxury goods". In a letter dated 25 April 2012, the Member State submitted a report providing details on a case of export, in June 2009, of used computers and related equipment to the Democratic People's Republic of Korea "in violation of the ban on the export of luxury goods under resolution 1718". In a letter dated 11 May 2012, the Member State provided additional information on the report previously submitted on 25 April and information on two new cases of export of used computers and automobiles to the Democratic People's Republic of Korea. Finally, in a letter dated 22 May 2012, the Member State transmitted a report providing details on the "illegal export" to the Democratic People's Republic of Korea of two used Mercedes Benz automobiles.

9. In a note verbale dated 9 April 2012, followed by a note verbale dated 10 May 2012, a Member State transmitted a report on "a violation of paragraph 9 of resolution 1874 (2009)", reporting the seizure in November 2010 by its authorities of a shipment of goods used for the manufacturing of arms and munitions originating from the Democratic People's Republic of Korea and destined for a Member State on board a vessel. Following consultations among the Committee members, letters requesting additional information on this report were sent on 15 and 16 May to several Member States. In a note verbale dated 31 May 2012 and a letter dated 1 August 2012, two of those Member States provided additional information on the case. Furthermore, on 2 July, the Committee sent a note verbale to the reporting Member State in a follow-up to its report.

10. In a letter dated 29 June 2012, a Member State reported to the Committee that, in May 2012, in compliance with paragraph 14 of Security Council resolution 1874 (2009), its authorities had seized 445 graphite cylinders on board a vessel while in trans-shipment at the port of Busan, Republic of Korea. The Government of the Member State had established that the seized graphite cylinders fell within the category of items, materials, equipment, goods and technology related to ballistic missile programmes whose supply, sale or transfer was prohibited under resolutions 1718 (2006) and 1874 (2009).

11. Furthermore, the Committee, assisted by the Panel of Experts, continued its investigation of the seizure of cargo on board a vessel initially reported by a Member State in a note verbale dated 19 September 2011. On 29 February 2012, letters requesting additional information on that case were sent to several Member States. A member of the Panel also visited the reporting Member State on 6 March in order to examine the items found on the vessel.

12. The Committee, with the assistance of the Panel of Experts, is continuing its consideration of the reported incidents.

C. Other communications from and to Member States and international organizations

13. On 17 January, the Committee sent a reply to a letter dated 2 October 2011 from the secretariat of an organization that was seeking the Committee's guidance with respect to the participation of the Democratic People's Republic of Korea in project activities under the clean development mechanism of the Kyoto Protocol in the context of the Security Council resolutions pertaining to the Democratic People's Republic of Korea.

14. On 3 February, the Committee sent a letter to a Member State in reply to its query, dated 23 August 2011, requesting written confirmation that meat and meat products did not constitute luxury goods for the purposes of implementing the obligations regarding luxury goods contained in Security Council resolutions 1718 (2006) and 1874 (2009).

15. On 7 February, the Committee sent a reply to a Member State in response to a letter, dated 24 June 2011, which provided information concerning the attempt by the Member State to inspect a vessel, with the consent of the flag State, on the high seas, pursuant to paragraph 12 of Security Council resolution 1874 (2009), and the refusal of the ship's master to allow such an authorized inspection, which heightened suspicion that the vessel was engaged in activity violating resolutions 1718 (2006) and 1874 (2009).

16. On 23 May, the Committee received a letter from a Member State which notified the Committee of luxury goods and shooting equipment being imported temporarily to its territory for the purpose of a specific event.

17. In a letter dated 19 July 2012, an international organization sought the Committee's advice and clarification on whether its technical assistance programme was violating the relevant measures imposed by the Security Council on the Democratic People's Republic of Korea. On 20 September, the Committee sent a reply to the organization in which it conveyed its understanding that nothing in Council resolutions 1695 (2006), 1718 (2006) and 1874 (2009) prohibited its technical assistance programme, and encouraged the United Nations and other international organizations to engage in a collaborative discussion about activities in the Democratic People's Republic of Korea that might be relevant to those resolutions.

18. On 10 December, a Member State notified the Committee and the secretariat of the International Atomic Energy Agency (IAEA) of the delivery to the Democratic People's Republic of Korea, at the request of the World Health Organization, of a source of ionizing radiation based on the GIK-8-4 isotope of cobalt-60 to meet the needs of the Pyongyang Institute of Radiation Therapy. It was mentioned in the note concerned that there was no prohibition on the supply of such products to the Democratic People's Republic of Korea.

19. On 4 October, the Committee sent a note verbale to Member States that maintain a diplomatic mission, representation or cooperation office in Pyongyang in which it reiterated that the provisions of Security Council resolutions 1718 (2006) and 1874 (2009) were not intended to prejudice the activities of diplomatic missions as stated in paragraph 21 of resolution 1874 (2009). The Committee also requested the Member States concerned to provide specific and detailed information on

whether their diplomatic mission, representation, cooperation office or staff in Pyongyang had experienced difficulties regarding international financial transactions, the importation of foreign goods, or the obtaining of services from outside the country as a result of the implementation of resolutions 1718 (2006) and 1874 (2009), and to indicate, if known, whether their diplomatic activities in the Democratic People's Republic of Korea had been or were being impeded as a result of the actions of specific institutions or companies in third countries resulting from the implementation of the above-mentioned resolutions. Nine Member States had responded as at 31 December. For technical reasons, the Committee has decided to extend the deadline and requested the Member States concerned to provide responses by 15 February 2013.

D. Reports to the Security Council

20. According to paragraph 12 (g) of Security Council resolution 1718 (2006), the Committee should report at least every 90 days to the Council on its work. Accordingly, the Chair briefed the Council on 10 February, 17 May, 21 August and 29 November 2012.

E. Identification of items and the designation of entities subject to measures imposed in Security Council resolutions 1718 (2006) and 1874 (2009)

21. Following the launch by the Democratic People's Republic of Korea on 13 April 2012, and in response to the directive of the Security Council contained in the statement by the President of the Security Council of 16 April 2012 (S/PRST/2012/13), the Committee designated three additional entities to be subject to the provision of and the measures imposed in paragraph 8 (d) of Security Council resolution 1718 (2006) and updated information contained in the Committee's lists of items, materials, equipment, goods and technology related to the ballistic missile programme of the Democratic People's Republic of Korea to be subject to the measures imposed in paragraphs 8 (a), (b) and (c) of resolution 1718 (2006). Furthermore, the Committee determined that the items listed in INFCIRC/254/Rev.10/Part 1 shall be subject to the measures imposed in paragraphs 8 (a), (b) and (c) of resolution 1718 (2006).

22. As required by the same Presidential statement of 16 April 2012, the Committee submitted to the Security Council on 2 May 2012 its report on the new designations, the update of information on the Committee's lists and the update of the Committee's programme of work (S/2012/287).

F. Panel of Experts

23. During the reporting period, the Committee continued to be assisted by the Panel of Experts.

24. Following the adoption, on 12 June 2012, of Security Council resolution 2050 (2012) extending the mandate of the Panel of Experts until 12 July 2013, the Secretary-General, in a letter dated 27 June 2012, reappointed to the Panel of Experts the seven individuals serving on the Panel at that time (see S/2012/493).

25. During the reporting period, three of the seven experts of the Panel of Experts established pursuant to Security Council resolution 1874 (2009) (John Everard, expert on regional issues (United Kingdom of Great Britain and Northern Ireland); Duk Ho Moon, expert on the proliferation of weapons of mass destruction (Republic of Korea); Xiaodong Xue, expert on export control and nuclear items (China)), informed the Committee of their resignation owing to other pending professional and personal commitments. The Secretary-General, in consultation with the Committee, appointed to serve on the Panel Jang-keun Lee, expert on the proliferation of weapons of mass destruction (Republic of Korea) on 10 August; Chang Guo, expert on export control and nuclear items (China) on 10 September; and Martin Uden, expert on regional issues (United Kingdom) on 17 December.

26. The Panel continued its investigation on incidents of non-compliance and alleged violations.

27. On 19 September, the Panel submitted to the Committee a report regarding the seizure of ammunition, narcotics and other contraband goods on board a vessel owned and operating under the flag of the Democratic People's Republic of Korea by a Member State in January 2010. The incident was originally considered by the Panel in paragraph 69 of its final report dated 11 May 2012 (S/2012/422).

28. On 3 October, the Panel submitted to the Committee a report regarding an attempt by the Chamber of Commerce of the Democratic People's Republic of Korea to help arrange a joint venture between a company and a firm in the Democratic People's Republic of Korea. The incident was reported to the Committee in a letter dated 22 June 2010 by a Member State.

29. On 9 October, the Panel submitted to the Committee a report regarding a case which had been brought to the attention of the Committee by a Member State in a note verbale dated 17 July 2012.

30. On 3 December, the Panel submitted to the Committee three reports dated 30 November 2012. The first concerned a seizure of a shipment of ballistic missile-related items in October 2007, before Member States were required by resolution 1874 (2009) to report inspection, seizure and disposal to the Committee. The Panel had included a report on that incident in its final report of 2012. The second report concerned the seizure by a Member State of two containers of military equipment originating from the Democratic People's Republic of Korea in March 2008, before Member States were required to report inspection, seizure and disposal to the Committee. The third report concerned an alleged attempt by the Democratic People's Republic of Korea to acquire beef and bus parts from a supplier based in a Member State. Some preliminary elements of the case were included in the final report of the Panel to the Committee in May 2011. On the basis of further information, the Panel concluded that no incident of non-compliance had occurred.

31. On 25 July, the Panel of Experts, in accordance with paragraph 3 of Security Council resolution 2050 (2012), submitted to the Committee, for its information, the Panel's planned programme of work until 12 July 2013.

32. On 11 May, in accordance with paragraph 2 of Security Council resolution 1985 (2011) the Panel of Experts provided its final report to the Committee, which the Committee considered in its informal consultations on 11 June and 24 October. Also in accordance with paragraph 2 of resolution 1985 (2011), the Panel submitted its final report to the Security Council on 11 June (S/2012/422).

33. On 7 November, in accordance with paragraph 2 of Security Council resolution 2050 (2012), the Panel of Experts transmitted to the Committee its midterm report, which the Committee considered in its informal consultations on 10 December. Also in accordance with paragraph 2 of resolution 2050 (2012), the Panel submitted the report to the Security Council on 11 December.

34. During the reporting period, at the invitation of the countries concerned, the Panel of Experts conducted visits to Australia (13 March), Brazil (1 June), Chile (29 and 30 May), Djibouti (27 and 28 May), El Salvador (30 April), Estonia (24 and 25 September), Greece (9 to 13 January and 6 March), Guatemala (26 April), Italy (11 to 13 April), Japan (6 to 15 August and 29 October), Mongolia (14 to 17 February), the Netherlands (27 September), Paraguay (24 October), the Republic of Korea (10 to 15 April, 30 July to 2 August and 4 to 9 October), Sweden (17 July), the United Kingdom (10 and 11 April, 12 July, 9 and 10 August), the United States of America (30 July) and Uruguay (22 October) to discuss the measures taken by those countries to implement resolutions 1718 (2006) and 1874 (2009). The Panel of Experts and its individual members also held consultations with Government officials and national experts of Member States and with representatives of several international organizations and entities, such as IAEA, the Preparatory Commission for the Comprehensive Nuclear-Test-Ban Treaty Organization, the Organization for the Prohibition of Chemical Weapons and the World Customs Organization; they also participated in a number of relevant international meetings, conferences and seminars.

Annex*

Reports received during 2012 pursuant to paragraph 11 of Security Council resolution 1718 (2006) and/or paragraph 22 of Security Council resolution 1874 (2009)

Member State or organization	*Document symbol*	*Date of communication*
Chile	S/AC.49/2012/2	1 March
Ecuador	S/AC.49/2012/6	29 June
Egypt	S/AC.49/2012/7	1 August
Luxembourg	S/AC.49/2012/4	21 May
Republic of Moldova	S/AC.49/2012/1	23 February
Norway	S/AC.49/2012/3	13 April
Uzbekistan	S/AC.49/2012/5	30 May

* The lists of reports received prior to 2012 are contained in the enclosures to the Committee's previous reports, S/2011/84 and S/2012/17 (available from un.org/sc/committees/1718/annualreports.shtml).